

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF REID VILLAGE)	
WATER DISTRICT FOR APPROVAL OF)	CASE NO. 2008-00146
INCREASED RATES FOR WATER SERVICE)	

ORDER

On April 21, 2008, Reid Village Water District ("Reid Village") applied for Commission approval of its proposed water rates. Reid Village proposed to increase its annual revenue from water rates by \$56,306, an increase of 14.42 percent over normalized water sales revenues of \$390,367. This proposal would increase the monthly water bill for 5,000 gallons of usage from \$28.55 to \$33.52, an increase of 17.4 percent.

By Order dated May 23, 2008, the Commission issued a Staff Report containing Commission Staff's findings and recommendations regarding the proposed rate adjustment. In its report, Staff recommended that Reid Village's proposed rates be accepted. In its Order, the Commission directed all parties to file any written comments regarding the Staff Report or requests for a hearing or informal conference within 10 days. If no request for hearing was received within that period, the Commission further ordered, the case would stand submitted for decision. No comments or requests for a hearing or informal conference have been received.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and should be adopted as the findings of the Commission.

2. The monthly water rates in Appendix A will produce annual revenue from water service of \$446,673.

3. Reid Village applied for authority to revise certain non-recurring charges. Reid Village has provided adequate evidence of the individual expenses incurred to provide the services associated with the proposed non-recurring charges.

IT IS THEREFORE ORDERED that:

1. The findings contained in the Staff Report are adopted and incorporated by reference into this Order as if fully set out herein.

2. The rates in Appendix A are approved for service rendered by Reid Village on and after the date of this Order.

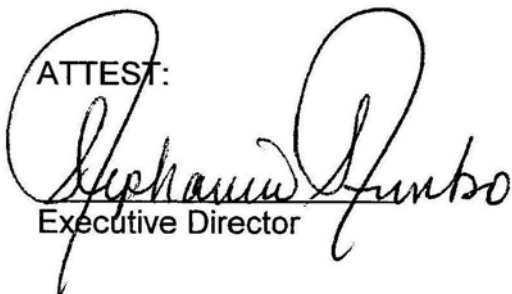
3. Within 30 days of the date of this Order, Reid Village shall file with the Commission revised tariff sheets setting out the rates approved herein.

4. Three years from the date of this Order, Reid Village shall file an income statement, along with any pro forma adjustments, in sufficient detail to demonstrate that the rates approved herein are sufficient to meet its operating expenses and annual debt service.

Done at Frankfort, Kentucky, this 6th day of June, 2008.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00146 DATED JUNE 6, 2008

The following rates and charges are prescribed for the customers in the area served by Reid Village Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First	2,000	gallons	\$17.67	Minimum bill
Next	1,000	gallons	5.59	per 1,000 gallons
Next	2,000	gallons	5.13	per 1,000 gallons
Next	5,000	gallons	4.66	per 1,000 gallons
Over	10,000	gallons	4.18	per 1,000 gallons

Non-Recurring Charges

Connect Fee	\$20.00
Deposit	65.00
Re-connection Charge	25.00
Tap On Fee	650.00